

Round 2 of the Iran Inquiries

Senate, House to Focus on Policy, Possible Criminal Acts

By David E. Rosenbaum
New York Times Service

WASHINGTON — Now that the Senate intelligence committee's report on the Iran-contra affair is complete, the senators and representatives who will continue investigating the matter in the months ahead say they still face three broad unanswered questions.

These are the issues: Was the Reagan administration's Iran policy justifiable? How was that policy made? Were crimes committed as the policy was carried out?

The report made public by the intelligence committee last week, the most authoritative account of the affair to date, dealt with these matters to some extent.

But the chairman and vice chairman of the committee — Senator David L. Boren, Democrat of Oklahoma, and Senator William S. Cohen, Republican of Maine — emphasized that their investigation was "preliminary," and Mr. Boren said it did not answer the question of principal interest to him.

Mr. Boren also sits on the special Senate committee that will investigate the matter, and he said that

committee would try to discover whether laws had been broken.

"Who violated the law?" he said. "Were the violations serious enough to warrant removal from office? Did President Reagan violate the law in a manner that would be an impeachable offense?"

The intelligence committee report published last week was based on three weeks of hearings last month. Testimony was not received from important figures like Lieutenant Colonel Oliver L. North and Vice Admiral John M. Poindexter, who cited their constitutional right against self-incrimination and refused to be interrogated.

At the end of its report, the committee listed 14 major "unresolved issues" ranging from the activities in the White House to intricate financial transactions.

Now that the intelligence panel has laid the foundation, the congressional investigation enters a new phase. The two special committees established this year in the Senate and the House of Representatives will each carry out separate inquiries. These investigations are expected to last at least until the

summer and possibly until the end of the year.

The special committees, which are still being organized, will comprise 11 senators under the chairmanship of Daniel K. Inouye, Democrat of Hawaii, and 15 representatives led by Lee H. Hamilton, Democrat of Indiana.

Both panels have hired experienced criminal lawyers to be their chief counsel, and the House investigators have begun to draft subpoenas and take depositions. But committee staff members must go through a long process of obtaining top security clearances before much of the work can be done. The committees are still operating out of temporary offices.

Mr. Inouye and Mr. Hamilton said public televised questioning of witnesses would not start before March, and some members of their committees say they believe it will be spring before the hearings are in full swing. Like prosecutors, congressional investigators interrogate witnesses at length in private before asking them to give public testimony.

Interviews with most of the lawmakers on the special committees showed that they have somewhat different ideas about where the emphasis of their investigations should be placed.

Mr. Boren said the legal questions "must be a focus." The laws that might have been broken, he said, range from general criminal statutes governing such things as perjury and misappropriation of government funds to specific legal restrictions on covert actions, arms sales and aid to the contra, as the Nicaraguan rebels are called.

Other lawmakers said they thought it was more important to examine the process and the policy than to conduct a criminal investigation.

A special prosecutor, Lawrence E. Walsh, has been appointed to conduct a separate investigation.

Mr. Hamilton, the chairman of the House panel, did not discount the importance of investigating criminal activity. But he said the most important task of his committee would be to look at "the policy itself."

He said, "We were pursuing one policy in public and one in private, and the two policies were contradictory."

Most of the legislators who were interviewed said they were deeply interested in finding out the extent of President Ronald Reagan's involvement in carrying out the policies under investigation.

The Senate intelligence committee found no direct evidence in its preliminary inquiry that the president knew of the diversion to the contra of profits from arms sales to Iran. But the committee did uncover some evidence that Mr. Reagan was concerned primarily with trading arms for hostages rather than seeking a political opening with Iran, as the president has contended.

Mr. Hamilton said he found the idea that the president was ignorant of important policy matters to be "a curious thing."

It stretched his imagination, he said, to accept the idea that Admiral Poindexter, who resigned as national security adviser in November, did not inform the president of the aid to the contra.

The consensus of the congressional investigators is that the testimony of Admiral Poindexter and Colonel North, who directed the White House activities in both Iran and Nicaragua and who was dismissed in November, will be required to resolve the issue of the president's role.

Senator Orrin G. Hatch, Republican of Utah, is one of several members of the special committee who want to compel the testimony of Admiral Poindexter and Colonel North by granting them limited immunity from prosecution at the outset of the investigation.

"Their testimony is more important to the country than their prosecution," Mr. Hatch said.

Mr. Walsh, the special prosecutor, has asked the committee to withhold grants of immunity for now to give him time to pursue his investigation fully, and a clear majority of the members of both committees agree with that course.

But Senator Paul S. Trible Jr., Republican of Virginia, who is a former federal prosecutor, and others said that if immunity was the only way to obtain their testimony, it would be offered before the congressional investigation was completed.

Shultz Fears Sales Prompt Kidnappings

United Press International

WASHINGTON — The U.S. arms sales to Iran may have escalated hostage-taking in Beirut, according to Secretary of State George P. Shultz.

Mr. Shultz, in a magazine interview, said, "The structure of the arms deliveries and the connection with the hostages may have gotten pretty tightly connected, in which case the perception of the Iranians — what ever the perception in this country was — would be that hostages are a thing of value."

"Once you get that established in somebody's mind, then you have problems," he said.

The interview was published Saturday in U.S. News & World Report.

The increased attention focused on the hostages complicates negotiations for their freedom, Mr. Shultz said.

"The more you make out of hostages, the more value is placed on them by the hostage takers," he said. "If we say things that there's nothing in this world we wouldn't do to get these hostages out, that's a bad line to take."

U.S. officials have said that about two dozen persons from at least nine nations are being held hostage in Lebanon. Many of those have been kidnapped since the affair over the Iran arms sales surfaced in November, including 12 persons in the past three weeks.

Mr. Shultz said that if the United States could get a clear target, it should take military action against terrorists in the region.

The Reagan administration, he said, must "reaffirm that aspect of our policy that says, 'Terrorists must pay for their acts.' If we can figure out how to raise the cost to the terrorists, we will."

'Supercollider': The \$6 Billion Big Bang

By Cass Peterson
Washington Post Service

WASHINGTON — Proponents of the \$6 billion particle accelerator approved by President Ronald Reagan have called the project a "momentous leap forward" in the exploration of matter and energy.

In high-energy physics, the development of the "superconducting supercollider," as the device is called, "is the equivalent of putting a man on the moon," said Energy Secretary John S. Herrington in announcing Friday that the administration will ask Congress to provide money for the project. "It will have spinoffs, discoveries and innovations that will profoundly touch every human being."

The supercollider would be the most costly piece of research equipment ever built for any purpose.

The fate of the supercollider has been hanging in the balance at the White House for months, caught in a debate between scientists and budget officials over whether the nation can afford such a costly research tool at a time of high federal deficits.

While Energy Department officials said they could take from other programs the \$60 million envisioned for design work in fiscal 1988, the project will require hundreds of millions in construction funds later.

Foreign governments, and perhaps the state in which the project is eventually located, will be asked to share in the costs and will share in the scientific and economic benefits, the secretary said.

Officials said Mr. Reagan made the decision at a meeting of the Domestic Policy Council on Thursday, yielding to arguments that the United States faced losing its leadership position in high-energy physics if the project was not built.

The United States has the world's most powerful accelerators in operation at the Fermi National Accelerator Laboratory, in Illinois. A European consortium, the European Laboratory for Particle Physics, in Geneva, is planning a larger machine, however, and Japan is expected to start operating a major accelerator this year.

The Soviet Union has two large accelerators under development, including a device, to be in operation by 1995, more than three times the size of the largest Fermi accel-



Energy Secretary John S. Herrington in Washington announcing plans for a nuclear particle accelerator.

erator. The U.S. supercollider, which would dwarf all those accelerators, is targeted for completion in 1996 if funding is approved by Congress.

"This is a watershed for America's scientific and technological explosion," said John E. Pike, associate director of the Federation of American Scientists, a private group in Washington.

"These devices are becoming so expensive, and what they're trying to find is so obscure, that we may be at the point where scientists can no longer justify the cost," he said.

Arno Penzias, a Nobel laureate in physics at AT&T Bell Laboratories, has criticized the supercollider as a threat to the rest of physics research in the United States, much of it based in small laboratories at universities.

Physicists believe that the supercollider will enable them to identify even more elementary particles in their efforts to understand and explain the origins of matter.

Opponents of the project contend that it is too costly and unlikely to produce commensurate results. The New York Times reported.

Critics have contended that the project would sap federal funds from less glamorous, but equally important, areas of scientific research. They also say there are no guarantees that the giant facility would yield more discoveries than current or planned facilities.

The supercollider "may be close to the end of the line of large science projects," said John E. Pike. "The energy would be sufficient, it is hoped, to create particles that can now only be theorized, enabling physicists to delve more deeply into the fundamental nature of matter and energy. Scientists now know, for example, that the protons and neutrons that make up the nucleus of the atom are made of

AMERICAN TOPICS

Reagan Revolution Falls Short in Courts

Since taking office, President Ronald Reagan has appointed 259 men and women as U.S. judges, or about 40 percent of the total federal bench. By and large, to the dismay and surprise of many conservatives, they have taken the path of judicial restraint rather than activism.

U.S. News & World Report magazine says: "Many Reagan appointees who predicted the president's court appointments would be his most enduring legacy mistakenly believed that a judge's adherence to a strict-constructionist doctrine necessarily meant acceptance of right-wing positions on explosive issues such as school prayer, abortion and pornography."

Liberal critics, meanwhile, wanted that Reagan's judges would trammel individual liberties, gut civil-rights enforcement, and legalize censorship. But in practice, most Reagan judges have eschewed politics and instead adhered to the judicially conservative tradition of following legal precedent."

The magazine quoted a University of Virginia law professor, A.E. Dick Howard, as saying: "By temperament and political orientation, Reagan's judges tend to stay in the track that's been laid out already."

"The result," said the magazine, "as some conservatives see it, has been the undermining of true Reaganism" in decisions on such issues as the protection of the civil rights of people with acquired immune deficiency syndrome and the banning of religious displays on public property.

Edmund G. Brown Jr., governor of California from 1975 to 1983, is living in Kamakura, Japan, a city of Buddhist temples, near Tokyo. The Los Angeles Times says Mr. Brown, 48, is attending Zen Buddhist study sessions and is writing a book "to ultimately set out my vision of the future." Mr. Brown, a Roman Catholic and former Je-

National Committee on Jan. 23

says she did not ask her father for the job but has earned it through "27 years of breaking my back" for the party. "I was asked to do it by the president," she told The Washington Post. "I did not walk into the Oval Office and say, 'Daddy, I want this job.'"

Her selection for the \$70,000-a-year post has been widely criticized. But Miss Reagan, 45, said people "forget that I was a Republican before the president was. I kicked my first envelope in 1960, and I've never stopped working."

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suit seminar, was an unsuccessful candidate for the Democratic presidential nomination in 1984 and the U.S. Senate in 1982. Asked if his vision of the future included bids for either office in 1988, he said, "I haven't given up my interest. I want to take it on the lecture circuit."

David Brinkley, 66, the television newsman who now runs the Sunday-morning news-talk show "This Week" on ABC-TV, told The Washington Post about a dinner-party tactic: "Somebody will sit next to me or near me and take it for granted I know who he is because he's the assistant secretary of labor. I do not know who he is. So a little trick I use is to say to him, 'What are you doing?' He'll say, 'Why, I'm the assistant secretary of labor!' And I will then lie to him and say, 'Oh yes, I know that; what are you working on at the moment?' It works."

—ARTHUR HIGBEE

Short Takes

Hollywood frequently makes scientific boners that disregard simple laws of physics, says Jack Weyland, a professor at the South Dakota School of Mines. When Lois Lane is thrown off a tall building, Superman scoops her up as she is inches from the ground. But at her rate of fall she would actually hit his arms of steel with a sickening splat. In "Star Wars," the evil Darth Vader's spaceships explode with a satisfying roar, but since space has no atmosphere to carry sound waves, there would be no sound at any distance. In "The Martian Chronicles," inhabitants of Mars chat with those of Earth as if they were talking on the telephone. But since radio waves travel at only 186,000 miles (about 300,000 kilometers) a second, conversation across tens of millions of miles would be much slower.

R.J. McCabe of Cleveland was ordered to give a black family a year's free lodging after he was accused of refusing to rent them an apartment. Avery Friedman, the attorney for the plaintiff, Clarence D. Bolden, said that Mr. McCabe also was ordered to apologize to Mr. Bolden in U.S. District Court, to pay him an undisclosed sum and to attend at least three study sessions on fair-housing law. Mr. McCabe referred questions to his attorney, who could not be reached.

Notes About People
Maureen Reagan, elected co-chairman of the Republican



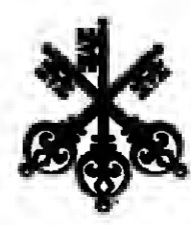
Edmund G. Brown Jr. in Kamakura, Japan. He is studying Zen Buddhism and is at work on a book.



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INSIGHTS

Reflections on a South African Odyssey at End

The writer, who had reported from Johannesburg since 1983, will become chief of The Times's bureau in Athens next month. This was excerpted from The New York Times Magazine.

By Alan Cowell

New York Times Service

THE newspaper billboard I sighted on my last drive to Johannesburg's Jan Smuts Airport bore the message "Evicted U.S. Newsman Regarded as Hostile." I was, in fact, being expelled by a government that no longer wished me to chronicle its country's internal struggle...

changed in South Africa: With protest and ostracism and divestment and killing, the Achilles' tendon of white rule has been laid bare. The process started with the Soweto uprising of 1976, the current violence is harsher, more intractable, a crystallization of discontent, a drawing of lines.

But this is not, as some argue, because the government's program of half-hearted and duplicitous reform somehow raised black expectations. In fact, those changes, enshrined in a new Constitution approved by whites in November 1983...

The protests since September 1984 have not dented the armed might of the white state; hardly any of the 2,300 people slain since then have been white soldiers or white policemen. But the imagery of protest, both in South Africa

Whites, like blacks, know now that the status quo cannot continue. The proliferation of right-wing splinter groups, and of liberal institutions and foundations discussing "South Africa after apartheid" bears testimony to that realization, as do the pious words of white English-speaking businessmen seeking to protect profit and free enterprise after the so-called liberation.

So what's it really like, my friends outside South Africa would ask: Is it dangerous? Don't you hate it?

No, I didn't hate it. South Africa was my home for longer than any other place in the last 21 years, and I left with memories of warm and caring people — some, like Molly Blackburn and Matthew Goniwe, dead, martyred. I remember, too, going 15 conversational rounds with Chris Hani, minister of constitutional development and planning and the grand vizier

the inquiries, the stoning began. I have half-formed visions of the next few seconds. I remember, vaguely, shouting something to the effect that I bore no hostile intentions, that I was a reporter from The New York Times. I remember an old woman daring behind the car and, by way of response, hurling a rock that shattered the rear window. Most of all, I remember watching through the broken windshield, as if in slow-motion, a lanky young man in a long coat produce a gasoline bomb with a burning wick. I remember thinking that, this time, my luck had finally run out.

Then, the miracle. A black taxi driver in front of me nudged forward just enough for me to accelerate and escape. The gasoline bomb landed, and exploded, exactly where my car had been.

What lesson could be drawn I cannot say, except that this is indeed a bewildering land, where black and white, in the popular imagery, are at war, yet where a black taxi driver might save the life of an unknown white reporter as if to say: "Look, there is still some hope for us all."

TOWARD the end of my assignment, I went briefly to Europe on family business, and took a bus ride in Bonn. What was it, I wondered, that made the faces of my fellow passengers somehow different from the faces I encountered every day in South Africa? It took some time to work out, but it should have been obvious from the start: 42 years have passed since the cessation of hostilities in Europe, so there is a kind of complacency in those faces. In South Africa, where there is scant prospect of a racial armistice, the concerns are all centered, in one way or another, on survival.

A black clerk from Soweto explained to me once that each time he went to work he worried all day whether his children would still be there when he got home. Would they have been detained or hurt or shot, or have fallen afoul of the so-called comrades? Such concerns do not affect whites, and, to watch the tennis parties and the cookouts, the power boats and the sailboats on the waters, the fancy sedans on the highways, a transient in this land might think there is no concern at all, as if a pact had been made with the authorities: Do what you will to protect our privilege, and we will look the other way.

Yet white lives, too, are framed in apocalypse. "Adapt or die," President Pieter W. Botha has told his followers, options computed in extremes. Many young whites, these days, brought up in segregated areas and attending segregated schools, are introduced to their black fellow citizens over the rim of an armored military vehicle, through a gun sight, or at the receiving end of a rock or gasoline bomb. Chance conversations with strangers turn easily to mighty issues, interspersed with racial pejoratives and hard questions: Why do you Americans hate us so? What have we done to deserve such punishment? What do you think will happen to us all?

Apartheid, the authorities say, is dead, replaced by what they term a program of cautious racial change. In the sense of total separation between black homeland and white South Africa, maybe apartheid's initial vision has been denied by the permanence of nine million



A South African miner displays a "necklace." The gasoline-drenched tire is put around someone suspected of collaborating with the white authorities, then set afire. It is meant as a warning to others not to collaborate with the state.

South Africa deserves more than stereotypes, more, too, than the cynicism of its own or Western politicians; South Africa deserves a future to redeem a past so filled with passion it sometimes seems beyond absorption.

and abroad, has produced far greater damage than rocks and gasoline bombs ever could: the collapse of the currency and the withdrawal of foreign credit; the sanctions and denunciations that rejected Pretoria's claim to membership in a community of nations depicted as civilized; the loss of technology caused by disinvestment; and the loss of expertise as more and more whites leave, unsure of where the government is leading them, except toward disaster.

It is a struggle for raw, naked power in Africa's wealthiest land, a struggle whose outcome neither Washington nor Moscow can ignore. But American policy has been ineffective, based on the impossible premise that, somehow, the physically stronger of two combatants might be persuaded to surrender before the war has even reached a decisive phase.

The Reagan administration, clearly, does not wish to see radical black socialists in charge of all that South Africa has to offer. But by basing its policy, essentially, on close contact with the country's white rulers, and by hoping that they might be coaxed and urged toward real change, Washington has succeeded only in accelerating the demise of moderation and the narrowing of the few options that ever existed in this society.

of neo-apartheid, and concluding, with some exasperation, that we would never agree even on the terms of the argument, let alone its outcome; listening to Louis Nel, the former information chief, explain black African venality to me by recounting how, as a lawyer, he helped a Belgian businessman bribe a Zairean officer in Kinshasa.

But, perhaps, my harshest memories are those of a conflict that few South African whites have seen at close hand. No, I would tell my friends, it's not dangerous where I live, an affluent green suburb zoned for white residential use. It was not dangerous at all, for instance, for those who attended the November opening in a white suburb of a new and exclusive club that boasted a membership fee of \$6,000.

I could sit near my garden, knowing that the army was just over the hill in Alexandra township and that, if trouble erupted, I would be shielded from it. I knew, too, that the cost of my tranquility was the brutalization of thousands, black and white.

And for visiting the nonwhite areas the rules are simple: Don't go by yourself, take someone from the black community with you; don't go at sunset; and, most of all, back off while you can. In my haste, I disobeyed them all.

General News

ANGOLA: CIA Is Said to Use a Zairian Air Base to Aid Angola Rebels

(Continued from Page 1) might, quite some activity," a source said.

From the air, the two landing strips and the dozens of support buildings spread across a plain of wooded savannah. The base is closed to unauthorized visitors, whether by air or from Kamina, a railroad junction town of 100,000.

In July, Defense Minister Francois-Xavier de Donnea of Belgium visited the base in the company of Belgian newspaper reporters.

"To the left and right of the runway there are small holes with lights on them; it's American material that can be immediately removed," a reporter wrote in De Standard, a Belgian newspaper, of the visit. "Among other places, it is from here that the Americans supply the Angola guerrilla units. The night flights of the American planes apparently stopped a few weeks ago. But the installations are still there, so operations can be started up at any moment."

Roads from Kamina to Angola, 200 miles west of here, are largely impassable. There is a railroad from here to Angola, but it is not believed to have been used for shipping the arms.

According to sources, the arms were flown from here to Jamba, Mr. Savimbi's headquarters in southeastern Angola. Kamina is believed to be one of at least two supply points in Zaire for the rebels. In November, Angolan military officials reported that Unita had opened a new front in northeastern Angola, 100 miles south of Kinshasa.

Pilots have reported frequent instances of American military C-130 and C-141 cargo planes landing at Kamina airport.

American military officials say the military planes are either carrying American military aid to Chad or military aid for Zaire.

Reports that American military aid was secretly funneled through here coincide with larger American interests in this remote corner of Zaire. Known as the Shaba region, the area is a major copper exporter and produces 60 percent of the world's cobalt, a strategic mineral used in airplane manufacturing.

There are only 200 Americans living in Shaba, but the U.S. consulate in Lubumbashi, the regional capital, has 12 full-time staffers. Shaba is one of two areas in

Zaire the United States has targeted for its aid program, administered by the Agency for International Development.

AID is rebuilding 3,000 miles of dirt roads in Shaba. Last year, AID started rebuilding two roads, totaling 600 miles, that run roughly parallel to the Angola border about 50 miles inside Zaire.

In an interview, Dennis M. Chandler, AID's director in Kinshasa, said these road projects were designed to restore agricultural production, which has dropped sharply with the collapse of Zaire's road system.

In a separate effort, American military officials in Kinshasa are known to be anxious to win American aid to rebuild Kamina base. If renovated, the base could provide rapid access to southern Africa.

In 1985, a team of American engineers visited the base and concluded that it would cost \$60 million to \$100 million to repair the installations.

In December, in a classified State Department briefing paper delivered to President Ronald Reagan on the eve of a visit to Washington by Mr. Mobutu, diplomats

argued for spending \$20 million to rebuild the base.

The White House has not acted on the proposal.

Historically, Mr. Mobutu has had close links to the CIA. In 1965, the year he took power, CIA agents in Kinshasa used to give him daily briefings on world affairs. In the mid-1970s, the CIA sent arms through Zaire to guerrilla factions fighting in Angola.

Reporter Held by Zaire

On Jan. 24, police agents in Lubumbashi prevented Mr. Brooke, the writer of the above dispatch, from boarding a plane to Kinshasa. In a one-hour interrogation, the agents repeatedly asked him if he was investigating allegations that Zaire was a transit point for arms to Unita.

On Jan. 26, the U.S. ambassador to Zaire, Brandon H. Grove Jr., conveyed a message from the Zairian government to Mr. Brooke that if he wrote about the Zaire-Unita relationship, the Zairian authorities would never again grant him an entry visa. The ambassador stressed that he was merely passing along the message.

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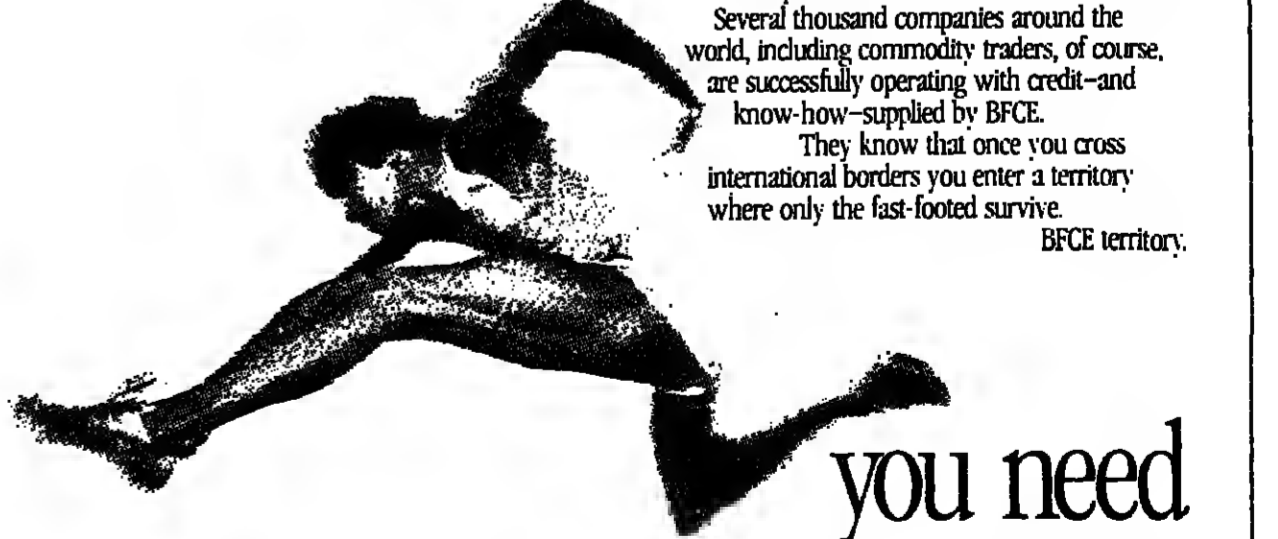
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OPINION

Herald Tribune

Layers of Lies on Iran

Those who mired America in the Iran-contra arms affair deceived the public, Congress, each other and themselves. That much is established by the Senate intelligence committee's new report...

A kind of endurance contest is taking place with respect to the Iran-contra affair. Barring the unforeseen — and there has been no grand unforeseen event since the White House disclosed to November that funds from arms sales to Iran had been diverted to the contra — the affair will continue to unfold in bits and pieces...

Aggressively to the Brink

After a great struggle, with negotiations running to the 11th hour, the United States and the European Community have managed to avert a grain war. The disquieting thing about this performance is that it arose from the kind of trade dispute that governments ought to be able to resolve routinely...

The United States and Europe almost went to war this past weekend, a trade war over U.S. grain exports. Narrowly, open combat has been avoided — to the immense relief of consumers and exporters on both sides...

When Spain and Portugal joined the European Community, they conformed their tariffs to the common tariffs, meaning sharp increases on corn and sorghum. These increases shut out \$400 million of yearly imports from America, so Washington demanded that the Community allow more imports of other farm products...

When the EC would reduce tariffs on two dozen other products, corn and sorghum sales will still suffer, but not as much. There is no such negotiable remedy, however, for what ails U.S. farm exports generally: the high value of the dollar and rising farm production in other countries...

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Talk of 'Minimal Deterrence' Rings a Bell

By Pierre Lellouche

This is the first of two articles.

PARIS — After serving eight years as secretary of defense, from 1961 to 1968, and directing the largest nuclear buildup in U.S. history, Robert McNamara has turned into one of the most ardent anti-nuclear activists of the 1980s.

Charles de Gaulle had argued that point back in 1962. Mr. McNamara, then in office, was his chief opponent. In an article published in 1983, Mr. McNamara confessed that in 1963 he had advised President Kennedy never to use nuclear weapons in defense of Europe...

thizes with the objectives of President Reagan's Strategic Defense Initiative, as a means to render all nuclear arms useless. But again he quarrels with its technical feasibility. This leaves him with the "historic opportunity," as he calls it, opened in Reykjavik, to reduce drastically both superpowers' nuclear arsenals. He envisages in particular ceilings even lower than the 50 percent ones discussed in Iceland, down to fewer than 1,000 warheads in all.

Now, in an article on this page on Jan. 24, Mr. McNamara goes a step further by presenting what he calls a "minimal deterrence" concept. To a Frenchman that sounds familiar, since it is precisely the doctrine invented by de Gaulle in the early 1960s to justify the force de frappe — a force which Mr. McNamara did everything he could to suppress.

which Mr. Reagan refused to do. As for the Europeans, Mr. McNamara argues that they should buy themselves new conventional forces, "at modest cost," instead of continuing to rely on the "incredible threat" of U.S. first use of nuclear weapons. In principle at least, Mr. McNamara's plan can sound attractive, especially to Americans increasingly tired of dealing with Europe anyway and concerned about the risk of being drawn into a global nuclear war for the sake of protecting ungrateful and "fat" Europeans who do not bother to pay for their own defense.

After Mistakes, Too Busy for Exquisite Anguish By Flora Lewis LONDON — The setting was Maputo, Mozambique. It is summer and the flame trees were in gaudy blossom along the broad, grassy avenues where a colonial capital called Lourenço Marques. Little has been built since then...

The Signs Point to A Summit

By Jim Hoagland

PARIS — The straws in the wind say that Ronald Reagan and Mikhail Gorbachev are circling each other warily but persistently to set up a final summit in the Arms Control Treaty area. A new surge of activity by Mr. Gorbachev in recent weeks suggests that he thinks he can still deal with the fading champ from D.C.

News is coming out of Russia today at a staggering pace by past Soviet standards, forcing frosty reaction and reassessment. And Mr. Gorbachev's actions and proposals are increasingly treated as worthy of serious study and commentary. They contain much dangerous or tricky fine print, but they are not being treated as the work of brain-dead commissars parroting slogans.

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Drawing by BAS in Tachydrinos (Athens), C&W Syndicate.

After Mistakes, Too Busy for Exquisite Anguish

By Flora Lewis

LONDON — The setting was Maputo, Mozambique. It is summer and the flame trees were in gaudy blossom along the broad, grassy avenues where a colonial capital called Lourenço Marques. Little has been built since then. Now the international set of diplomats, workers at official and private aid agencies and some business people have offices and homes in many of the pleasant villas.

Systems founder on people. People founder on people, and yet they keep going. Mozambique, with a population of 14 million, is on the list of hunger-endangered countries, partly due to a long drought, more due to human causes. Most of the Portuguese, who ran everything and had all the skills, fled when independence came in 1975.

United States would pay heavily for it. "Reagan is not feeling well, he is old and weak and under a lot of pressure from members of his own party," he said. "The administration is corrupt inside so it cannot make the right decisions at the right time."

From the speaker such decision comes easily. Even from Iran's standpoint, however, it seems misbegotten. A Reagan being pressed at home and mocked abroad is not necessarily a comfort for Iran.

First Arms-for-Hostages, Now Warships on Show

By Stephen S. Rosenfeld

WASHINGTON — The night-mare possibility opened up by President Reagan's arms-for-hostages dealing with Iran has always been that it would spill over not only into the American political scene, which has happened, but also into American foreign policy, which may be happening now.

transmitted by movement of the ships do their intended work and that, without further U.S. involvement, the threat of the Iranian offensive recedes. Mr. Reagan can then fairly claim a tonic international success — and a measure of vindication for his naval buildup, and for his forward maritime strategy.

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LETTERS TO THE EDITOR

To Flap or Not to Flap Lewis Lehrman's column "Americans Should Rally Round the Reagan Doctrine" (Jan. 23) makes sense. Not for the first time, a foreign policy doctrine imposes itself because it is based on constitutional intent that is uniquely American and democratic.

Better a peculiar uncle in the attic, as Gordon Liddy describes the press (American Topics, Jan. 7), than a spook in the cupboard. ALAN HARDY, Edinburgh.

Candy and Chewing Gum William Pfaff writes in "For the Ever-Uneasy Germans, a New Voice on Security" (Jan. 24): "Black soldiers during the war were nearly all to transport and quartermaster units. The probability is negligible that front-line troops were taking over a German village in 1944 or taking over a black village in 1945."

Conditions for a Normal Relationship WE BROKE relations with Iran (in 1979) when the government of Iran acted in ways totally contrary to acceptable norms of international behavior. Against that background, it is reasonable to assume that any dialogue with Iranian officials should be based on the point that it will be impossible to establish any normal relationship with Iran until Iran has demonstrated that it no longer supports or engages in the vicious and intolerable practices that led to the break.

IN OUR PAGES, 75 AND 50 YEARS AGO. 1912: Empress Yields PEKING — An agreement for abdication and promulgation of the Republic has been reached between the Empress Dowager, the Imperial clan and the cabinet. The agreement consists of 13 articles. The first provides for the renunciation of all political and governmental authority by the Throne, but stipulates that it shall not be regarded as an enforced abdication as marked the endings of previous dynasties.

1937: Stalin vs. Lenin PARIS — The thirteen "Trotskyists" whose execution is now confirmed, will not be the last Bolshevik pioneers to pay with their lives for opposition to the Stalinist regime. The G.P.U. has a long list of arrests whose activities the Soviet state police have been investigating. The review of this traditional method of ruthlessness as a means of suppressing opposition in Russia may be accepted as a sign that the present regime feels itself as menaced as the former imperial government did. Lenin and the pioneers of the Revolution promised the creation of a Communist community in Russia. Today, the Russian masses are beginning to perceive that what they have got is not Communism.

Weekly International Bond Prices

Provided by Credit Suisse First Boston Securities, London, Tel.: 01-423-1277. Prices may vary according to market conditions and other factors.

JAN 30

Dollar Straights

Table of Dollar Straights bond prices, including columns for Issuer, Con Mat Price, Yld, and various bond types like Eurobonds and Eurodollars.

Australs

Table of Australian bond prices, including columns for Issuer, Con Mat Price, Yld, and various bond types.

Yield

Table of yield rates for various bond categories, including Eurobonds, Eurodollars, and others.

Issuers

Table of issuer names and their corresponding bond prices and yields.

DM Straights

Table of DM Straights bond prices, including columns for Issuer, Con Mat Price, Yld, and various bond types.

DM Zero Coupons

Table of DM Zero Coupons bond prices, including columns for Issuer, Con Mat Price, Yld, and various bond types.

ECU Straights

Table of ECU Straights bond prices, including columns for Issuer, Con Mat Price, Yld, and various bond types.

Yield

Table of yield rates for various bond categories, including Eurobonds, Eurodollars, and others.

Issuers

Table of issuer names and their corresponding bond prices and yields.

American Exchange Options

Flowers as of close of trading Friday, JAN 30

Table of American Exchange Options, including columns for Option & price, Calls, and Puts.

Chicago Exchange Options

Flowers as of close of trading Friday, JAN 30

Table of Chicago Exchange Options, including columns for Option & price, Calls, and Puts.

Supranational

Table of Supranational bond prices, including columns for Issuer, Con Mat Price, Yld, and various bond types.

European

Table of European bond prices, including columns for Issuer, Con Mat Price, Yld, and various bond types.

United Kingdom

Table of United Kingdom bond prices, including columns for Issuer, Con Mat Price, Yld, and various bond types.

United States

Table of United States bond prices, including columns for Issuer, Con Mat Price, Yld, and various bond types.

Table of other international bond prices, including columns for Issuer, Con Mat Price, Yld, and various bond types.

Chicago Exchange Options

Flowers as of close of trading Friday, JAN 30

Table of Chicago Exchange Options, including columns for Option & price, Calls, and Puts.

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Table of Chicago Exchange Options, including columns for Option & price, Calls, and Puts.

Non-European

Table of Non-European bond prices, including columns for Issuer, Con Mat Price, Yld, and various bond types.

Western Europe (Other)

Table of Western Europe (Other) bond prices, including columns for Issuer, Con Mat Price, Yld, and various bond types.

DM Zero Coupons

Table of DM Zero Coupons bond prices, including columns for Issuer, Con Mat Price, Yld, and various bond types.

Yen Straights

Table of Yen Straights bond prices, including columns for Issuer, Con Mat Price, Yld, and various bond types.

Table of other international bond prices, including columns for Issuer, Con Mat Price, Yld, and various bond types.

WestLB advertisement: Fixed Income and Equities Trading - for dealing prices call: Düsseldorf, London, Luxembourg, Hong Kong. Includes contact information for WestLB Westdeutsche Landesbank.

NASDAQ National Market

OTC Consolidated trading for week ended Friday.

Sales in Millions High Low Close Net Change

(Continued)

Table listing various OTC stocks with columns for Sales, High, Low, Close, and Net Change.

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EUROPEAN COMMUNITY

Hoechst Challenges EC Over Search Warrants

By Peter Maass International Herald Tribune

BRUSSELS — The executive body of the European Community is squaring off against Hoechst AG, the West German chemical giant, in a case that could set a precedent on the search warrants issued to inspect EC companies.

Investigators for the EC's executive Commission raided eight chemical companies in community countries last week to seek evidence about possible price fixing on two common plastics. All of the companies except Hoechst honored the search warrants issued by the commission and allowed the investigators to seize files.

Hoechst, arguing that the commission's warrant was invalid, secured a temporary injunction from a local court barring the search. The company said that the commission's warrant was invalid because it was not issued by a West German court.

The company's decision poses a challenge to the primacy of the European Community's powers over national laws. Hoechst's move could have far-reaching consequences for the commission, whose search warrants have never been challenged.

Hoechst has issued a statement stating it has no intention of backing down. The West German injunction will remain in force while the court takes a closer look at the case.

The commission, however, is planning a counteroffensive. Officials say that the executive body will decide Wednesday whether to take the case to the European Court of Justice and accuse West Germany of failing to abide by community laws against cartels.

Such a move could be embarrassing for Bonn, which was not involved in Hoechst's decision to contest the commission's search. Meanwhile, the commission could impose a daily fine on Hoechst for failing to honor the warrant. But the penalty, about 1,000 European currency units (5879) a day, would not dent the earnings of one of the world's largest chemical firms.

Commission Backs Cuts, Freezes in Farm Prices. In another attempt to rein in farm spending, the commission will call for freezes or reductions on a range of agricultural prices for 1987-1988, sources say.

A program prepared by Agriculture Commissioner Frans Andriessen would reduce prices for corn, rye, barley and forage cereals by about 2.5 percent. Prices for milk products, meat, sugar and wine would be frozen, the sources said.

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Fraud Allegations Taint Tennis Championship

The European Community Championship, an international tennis tournament aimed at increasing the EC's profile, has been drawn into an embarrassing financial scandal.

Several Belgian newspapers reported last week that the organizers of the tournament, which was held last fall in Antwerp, were charged with fraud and that their offices were searched in connection with alleged mismanagement of tournament finances.

The newspapers said that the organizers, including a sports promotion company in Brussels, were suspected of hiding 120 million Belgian francs (\$3.2 million) in receipts from tax authorities.

The organizers of the tournament denied any involvement in fraud. Ministers, Citing Tactics In Cities, Seek Gulf Truce. EC foreign ministers, saying they are "gravely concerned" by the Gulf war, have called for an immediate truce.

At a meeting last week, the ministers condemned the "intensification of attacks on cities" and expressed a fear that the war could spread to other countries. Such a trend, they said in a statement, "seriously threatens international and regional peace."

International Bond Prices

Table showing International Bond Prices with columns for Issuer, Con, Amt, Price, Yld, and Cur.

Wall Street Review

Table showing Wall Street Review with columns for AMEX Most Actives, NYSE Most Actives, AMEX Diaries, NYSE Diaries, AMEX Sales, NYSE Sales.

MONEY: Call for Action on Rates

(Continued from Page 3)

European Community, Sweden and Australia, about a dozen developing countries, and from the World Bank, the International Monetary Fund, the Organization for Economic Cooperation and Development and the General Agreement on Tariffs and Trade.

The sense of this meeting was that it now was up to governments to decide how to respond, on a coordinated basis, Mr. Barre said. "The message was clear," he said. "The countries responsible for the system should act responsibly to avoid instability."

But the officials also agreed, Mr. Barre said, that "people are not looking for a two-month strategy, but a long-term approach that will create a more stable environment."

That, Mr. Barre said, should also address the related issues of coordinating economic policies of industrialized countries, pressing ahead on trade liberalization in the current negotiations under the General Agreement on Tariffs and Trade in Geneva and easing the debt problems of developing countries.

A trade minister who declined to be identified said: "The sense of the meeting was clearly that the falling dollar was creating turbulence, but more important, the U.S. deficits are unsustainable."

"There was a fear expressed by many in the meeting that unless the United States resolves the two deficits, we could be headed into a world recession," he said, referring to the U.S. merchandise-trade and budget deficits.

Although the prospects for a Group of Five meeting and an agenda were discussed, no call was endorsed for any specific action by Washington.

The Commerce Department said Friday that the U.S. merchandise-trade deficit widened to a record \$169.8 billion in 1986.

Mozambique Raises Prices, Wages; Currency Devalued

Agence France-Press

MAPUTO, Mozambique — The government announced price and tax increases Saturday as part of efforts to revamp Mozambique's crippled economy.

The measures included higher taxes on beer and cigarettes, steep rises in charges for use of telephone, telegraph, post, water and electricity services, and sharp increases in fares for road, rail, air and sea transport.

On Friday, the government announced wage increases of 50 percent for all workers and devalued the currency, the metical, from 40 to the dollar to 200 to the dollar.

The new prices and taxes were published in a special eight-page supplement to the country's main daily newspaper, Noticias.

A bottle of beer that previously cost 85 meticals now carries, with the added tax, a base price of 105 meticals. The retail price would be at least 115 meticals.

A pack of filter cigarettes that cost 85 meticals was expected to cost 200 meticals with the new tax. The price of domestic electricity supply has been roughly doubled.

A ticket on the national airline from Maputo to the port of Beira has risen from 4,000 meticals to 12,000 meticals.

The latest measures include a new system of income tax that is intended to raise payments by the private sector. Government employees will be partially exempted from the income tax.

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Euromarts At a Glance

Table showing Euromarts At a Glance with columns for Eurobond Yields, Weekly Sales, and Libor Rates.

INTERNATIONAL CLASSIFIED

Table showing International Classified with columns for ESCORTS & GUIDES, INTERNATIONAL, ESCORTS & GUIDES, ESCORTS & GUIDES, ESCORTS & GUIDES.

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ESCORTS & GUIDES. INTERNATIONAL. ESCORTS & GUIDES. ESCORTS & GUIDES. ESCORTS & GUIDES.

SPORTS

SPORTS BRIEFS

Girardelli Nips Zurbriggen; Walliser Wins Downhill

Indoor High Jump and Sprint Records Fall

PIRAEUS, Greece (Combined Dispatches) — Patrik Sjöberg of Sweden set a world indoor high jump record of 7 feet, 10 1/4 inches (2.41 meters) at an international track meet here Sunday, bettering the 7-10 1/4 set by West German Karl Thuracardt in January. On Saturday night, Bulgarian Stefka Kostadinova's 6-8 1/4 at a meet in Genoa improved the women's standard of 6-8, set by Tamara Bykova of the Soviet Union in March 1983.

NHL Bars Quinn, Fines Canucks and Kings

MONTREAL (AP) — John Ziegler, president of the National Hockey League, has fined the Los Angeles Kings and the Vancouver Canucks a total of \$440,000 and barred Pat Quinn from coaching until the 1990 season because the Kings' former coach had secretly signed a contract to become president and general manager of the Canucks.

Müller Ends 12-Year Wait for a Gold

GRANS-MONTANA, Switzerland — Peter Müller, one of the sport's old-timers, upset teammate Franz Heinzer Saturday to win the men's downhill at the Alpine Ski World Championships. Müller, the runner-up to Figini at the 1984 Winter Olympics, clocked 1 minute, 43.80 seconds down the 2,451-meter (2,659-yard) Mont Lachaux course.

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Müller Ends 12-Year Wait for a Gold



Peter Müller "This is fantastic..."

Roman Keeps Title

MONTPELLIER, France (UPI) — Gilberto Roman of Mexico stopped Antoine Montero of France in the ninth round Saturday to successfully defend his World Boxing Council super-flyweight title. Referee Angelo Poletti of Italy stopped the bout after Roman pummeled Montero in the eighth and ninth rounds. The battering in the eighth left the Frenchman's face covered with blood.

WORLD STOCKS IN REVIEW / Via Agence France-Press

Amsterdam Prices tumbled on the Amsterdam market in the early part of the week, because of worries about the effect of the sliding dollar on Dutch exports and profit-taking by U.S. investors. The ANP-CBS general index fell 5.4 points Wednesday to its lowest of the year, 257.7, before recovering Thursday and Friday.

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Frankfurt

The Frankfurt bourse had one of the blackest weeks in its history as the instability on foreign-exchange markets sent the Commerzbank index plunging. The index lost more than 5 percent, or 98.5 points on Wednesday alone as the dollar crumbled and investors expressed their fear over a loss of competitiveness of West German exports.

Hong Kong

The Hong Kong stock exchange entered the Year of the Rabbit on an upbeat note, assisted by China's purchase of a stake in the British territory's main airline, Cathay Pacific Airways. After stumbling 15.08 points on Monday, the bellwether Hang Seng index rallied to 2,553.25 points at noon Wednesday when the market closed for the four-and-a-half day Lunar New Year holiday.

London

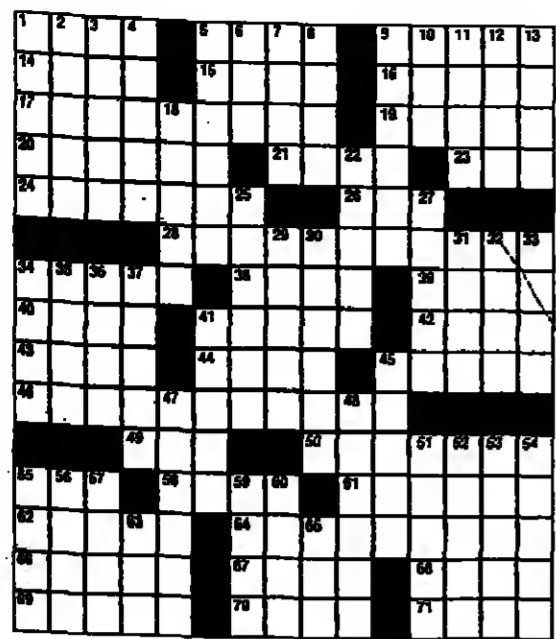
An early record-breaking surge on the London Stock exchange last week gave way to profit-taking. The Financial Times 30-share index had its biggest one-day rise on Tuesday to reach a new high of 1,441.6 points. The more widely-based Financial Times-Stock Exchange index of 100 leading equities also reached a new peak of 1,814.1.

Tokyo

Prices on the Tokyo stock market soared to record highs every trading day last week with the Nikkei average topping 20,000 yen and capitalization exceeding 300 trillion yen for the first time. The 225-stock Nikkei average finished at 20,088.35 yen Friday, surpassing 20,000 for the first time since the market reopened after World War II. The average reached 10,000 yen only three years ago.

Zurich

Prices on the Zurich market lost ground last week in hectic trading as the instability of the dollar and uncertainty over a possible EC-U.S. trade war took their toll. The Credit Suisse index closed on Friday 4.6 points down over the previous week at 547.5, while the Swiss Bank Corp. index lost 12.6 points to 655.7.



ACROSS 1 Lunch, e.g. 5 Lab animals' milks 14 "Aeneid" starter 15 Foggy 16 Kind of acid 17 Reporters' subject on February 2 19 Annie's companion 20 Rounded hills 21 "Love," 1933 song 23 Romaine lettuce 24 Floor covering 26 Petroleum 28 Seasonal 34 Try out 38 Draft status 39 Granular snow 40 A son of Leah 41 Swifly 42 Follow closely 43 Purse stuffers 44 Fulfilled, as a promise 45 Jackassery 46 Shakespear play, with "The" 49 Fuss 50 Of part of the eye

Solution to Friday's Puzzle

EPIC BALSAM DOTH DADA OSIER ACRE ALONGSHORE REAT MELBOURNE SWAMP ERNE SKIN SNARE WRITINGS HAIRDO ORAD OIL ABRA MADER AIDA HOC AERI SYDNEY BRISBANE EIGLIS ESIY EICL HOWLS BELHARPS ALMA COMPATIBLY LEAN ADIOS OIAN FOND PERTH ESINE

DENNIS THE MENACE

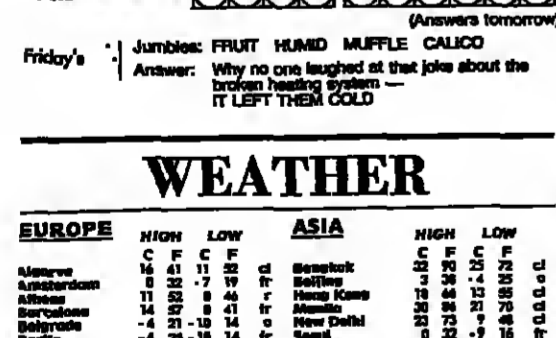


"MR. WILSON DOESN'T WANT PEOPLE TO KNOW HE HAS LARYNGITIS. HE WHISPERED IT TO ME."

JUMBLE

Unscramble these four Jumbles, one letter to each square, to form four ordinary words. DUNBO VOBEA LOOGGI NACAMI

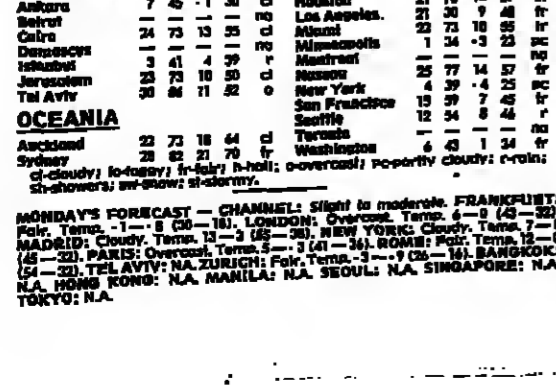
ANDY CAPP



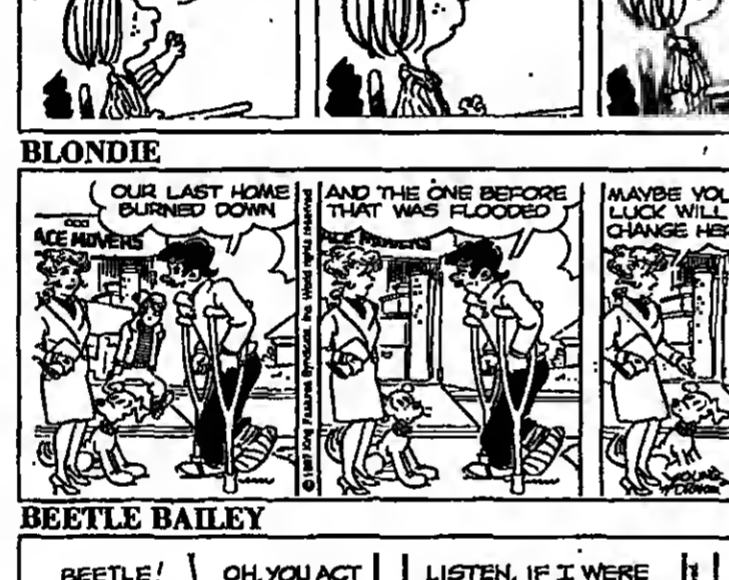
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REX MORGAN



PEANUTS



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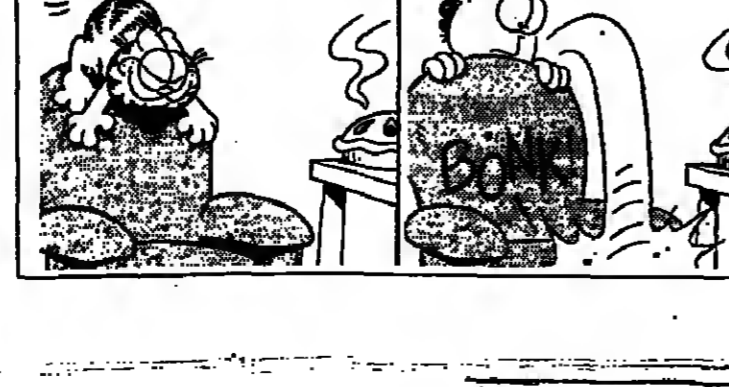
BEEBLE BAILEY



WIZARD of ID



REX MORGAN



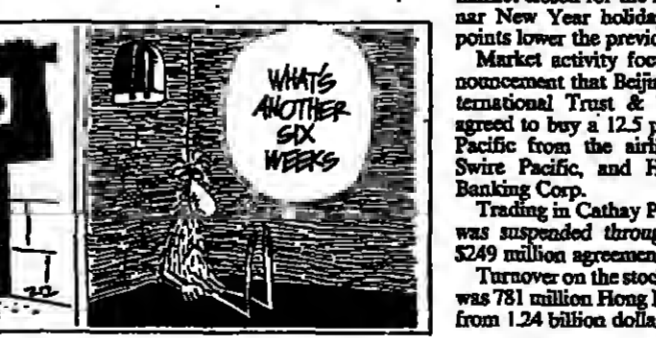
ANDY CAPP



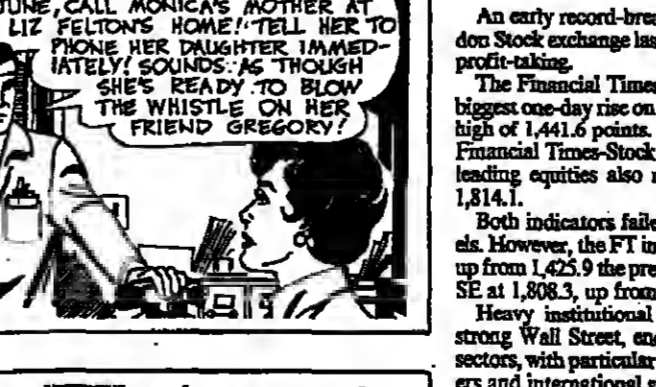
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REX MORGAN



GARFIELD

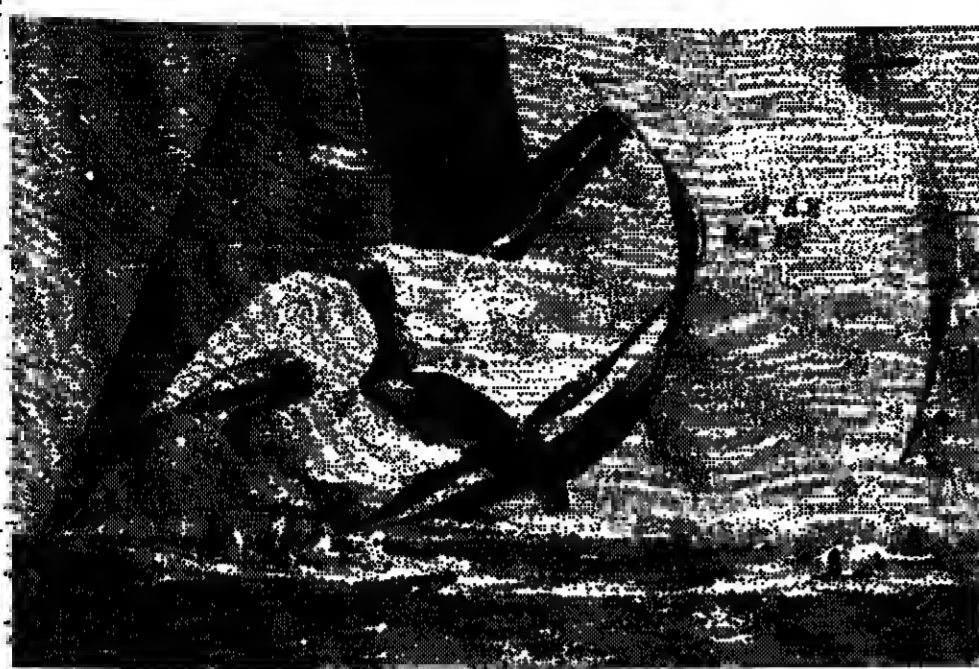


GARFIELD



SPORTS

All-Weather Stars & Stripes Jumps to 2-0 Cup Lead



Well ahead, Conner could afford to douse his spinnaker well before the end of Sunday's seventh leg.

America's Cup Sides Rally 'Round the Flags

By Angus Phillips
Washington Post Service
FREMANTLE, Australia — Chris Gabrielson of Jacksonville, Fla., has been living in Perth for five years, long enough to appreciate his roots.

It was a mixed bunch, with U.S. and Australian supporters mingling cheerfully. The Australians for outnumbering the visitors from afar.



Supporters were there in force as Kookaburra III was towed out to sea for Saturday's opening race against Stars & Stripes.

Compiled by Our Staff From Dispatches
FREMANTLE, Australia — Dennis Conner sailed Stars & Stripes through wild winds and rough seas Sunday to a 70-second defeat of Kookaburra III, taking a 2-0 lead in the best-of-seven America's Cup final after having won Saturday by 1 minute, 41 seconds in a race that demolished the myth of the Australian yacht's supremacy in light air.

Conner gained 45 seconds on the second leg, dominating the mark 1:14 ahead of Murray, who decided to use a larger headsail on the first reach. But flying a genaker, a combination of a gennaker and a spinnaker, only resulted in an eight-second loss to Conner, who was using a traditional spinnaker.

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By 3-1 — to become the first U.S. skipper to lose the cup since the competition began in 1851. He had led, 2-0, in that series.

Conner, the old master sailing in his fourth cup campaign, and Gilmore split tactics a minute before the start. Conner made the right decision, accelerating from the left side as he crossed the starting line. Kookaburra III was moving more slowly along the right side.

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leg, to avoid potential gear problems. His lead was still 1:08 heading for the finish, and with the winds whipping up on the best home, Stars & Stripes surged away again.

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Stars & Stripes (left) and Kookaburra III before Saturday's start.

edly in a desperate attempt to get back into the race. Conner simply covered his every move.

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It became a race after the wind shifted 60 degrees from southwest to southeast, Stars & Stripes rebuilt its lead to 1:14.

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SCOREBOARD

Table with columns for Basketball, NBA Standings, U.S. College Results, and Hockey. Includes team names and scores.

Table with columns for NHL Standings, World Championships, and Skiing. Includes team names and scores.

Lady's Secret Is Named the Top U.S. Horse of 1986

By Andrew Beyer
Washington Post Service
HIALEAH, Fla. — To the surprise of no one, Lady's Secret was named Friday as 1986's horse of the year.

Lukas thought her most important victory came in the Breeders' Cup Distaff. "I would have hated to have her go down in the books as doing so much and not be a Breeder's Cup winner," he said.

Using those criteria, it would be hard to quarrel much with the choice for the top horse of 1986.

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Stewart Leads U.S. Golf by 2

United Press International
PEBBLE BEACH, California — Faye Stewart shot three under-par 69 Saturday in the third round of the Pebble Beach National Pro-Am and held a slim lead over three former major championship winners with one round left in the golf tournament.



Lady's Secret

Friend Waiting for Gooden Held for Toting Stolen Gun

By Joseph Durso
New York Times Service
NEW YORK — Personal troubles continued to haunt Dwight Gooden on Friday when his former fiancée was arrested and charged with carrying a stolen handgun.

Gooden was inbound from his home in Tampa, Fla., when Port Authority police arrested Candace Pearson as she was passing through the security checkpoint at the Delta Airlines terminal.

Friend Waiting for Gooden Held for Toting Stolen Gun

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Arabic text: صكرا من الاصل

